

MEMORANDUM FOR



FROM: John Bross

I suggest that you attach this to Judge Webster's letter on this subject which should be coming in soon.

Date 16 December 1983

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16 December 1983

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Judge Webster, 14 December 1983

1. I met with Judge Webster on 14 December at 1130. Ed O'Malley and two other members of the Intelligence Division were present. Judge Webster opened the discussion by asking Ed O'Malley to review the objections which he had to our Commission's Report.

2. O'Malley began with a discussion of the meaning which the Bureau attaches to the word "counterintelligence" which he believed had been misused in our Commission's Report. This apparently is because the FBI's responsibility for identifying, monitoring, turning, arresting or otherwise neutralizing hostile agents is "counterintelligence" and not "countermeasures."

3. I explained that I personally had no particular quarrel with the language used by the FBI to describe its responsibilities. The important thing is that our Commission and certainly the DCI recognize what these responsibilities are irrespective of how they are defined. I said that what we were trying to do was to define three areas of responsibility, all of which impinged somewhat on each other and involved the CI process. These are:

- a. Security (the problem of seeing that installations and projects are properly safeguarded).
- b. Intelligence about the capabilities and deployment of hostile intelligence services.
- c. The analytical process through which conclusions about the significance of the overall threat, at home and abroad, from all sources of intelligence, are distilled.

4. This led to a general discussion of the role for an NIO. Obviously, the FBI is worried about the possibility that an NIO might intrude into operational areas. Later at lunch there was some discussion about whether an NIO would have authority to task operational agencies. On this point, I said that I thought the function of an NIO would be to levy requirements but not to task operational agencies in the sense of levying specific operational assignments or otherwise intervening in the operational process.

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5. In describing an NIO's functions I said that we had concluded that analyzing and developing estimates about the threat to the United States from foreign, and particularly Soviet, intelligence services really added up to working on a positive intelligence problem. Estimating the strength of the KGB is in many ways rather like estimating the strength of the Soviet military forces.

6. As specific illustrations of the kinds of questions that an NIO would have to answer, I suggested that:

- a. The NIO would be concerned with the role of the KGB and Soviet policymaking and with the significance of changes of personnel in the intelligence apparatus -- Andropov to a position of supreme authority; changes of personnel within the KGB itself as possible indicators of changes in Soviet policy.
- b. The significance of changes in the intensity, focus and direction of the Soviet intelligence effort. Changes in the emphasis or mix of intelligence activities aimed against targets in the United States, the Caribbean, China, Iran, etc., obviously could have considerable significance.
- c. Is Iranian intelligence receiving technical assistance from technical facilities controlled by the Soviets? Cubans? Libyans?
- d. What does the focus of their interest on our weapon systems indicate about their own systems and R&D?

7. I said that in discussing this question of how to establish and position an analytical competence relating to counterintelligence activity with John Stein, he had indicated no objection to having requirements of a substantive nature levied upon the CI element of the DDO.

8. We then discussed the problem of deception. I said that I thought concern about deception had been greatly exaggerated but obviously it was a very important subject and that we were glad to see an NIE published on this subject.

9. We also talked about the necessity of a more effective and speedy process for formulating damage assessments.

10. Throughout the conversations, which continued through lunch, I repeated several times our understanding of the need for clarity and precision in defining people's areas of responsibility. One of O'Malley's colleagues said that they would have no trouble with an NIO

for strategic deception who would also be responsible for the damage assessment problem. I got the impression that Judge Webster was a little uncomfortable with the rather long winded semantical dissertation about the meaning of counterintelligence with which O'Malley introduced the session. He asked me whether I thought perhaps they were being over pedantic. I said that I could understand their concern but that I wasn't sure that the Senate Select Committee or PFIAB or the White House did.

11. I said that while there was no way to change the Commission's Report, my colleagues and I would be delighted to discuss and explain it with a view to clearing up any misconceptions.

12. At the end Judge Webster suggested to O'Malley that on the basis of our discussion that morning, he might want to modify the letter which had been drafted for Mr. Webster's signature to Mr. Casey. He also offered to send a copy of their comments to Mr. Casey to me. I told him not to bother to do that as I would talk to Mr. Casey about the matter but that I thought that the FBI would not have any real trouble defining the terms of reference for an NIO with the DCI and the DDCI.

13. Two minor points: O'Malley sees no need for the operational coordinating committee suggested in our memo to the DCI as he felt that the IG/CI could perform the functions described in our memo. I told him that we had recommended the reconstitution of the O'Malley Committee because we felt there is need for operational consultation and partly at least to make it clear that the NIO's responsibility was not intended to extend to operational matters.

14. I asked whether the fact that we included counterintelligence experience as one of the qualifications for the NIO had anything to do with the FBI's concern about the danger that the NIO might intrude into operational areas. O'Malley said that it definitely had. I said CI operational experience might be helpful in enabling an NIO to understand the significance of information coming from CI sources. NIOs for geographic areas had benefitted from their own previous operational experience in the DDO without causing difficulties or embarrassment for the DDO because of this experience.



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